STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

IN THE MATTER OF: INTERNET AUCTION SOLUTIONS,

ITS OFFICERS, DIRECTORS,

EMPLOYEES, AGENTS, AFFILIATES,

SUCCESSORS AND ASSIGNS

) File No. 0800401

)

ORDER TO CEASE AND DESIST

TO THE RESPONDENT:

Internet Auction Solutions

138 E. 12300 S. Suite C #194

Draper, Utah 84020

WHEREAS, a Summary Order to Cease and Desist was issued by the Secretary of State on September 16, 2009, ordering Internet Auction Solutions, by and through its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, to cease and desist from offering and/or selling any business opportunity in the State of Illinois until further order of the Secretary of State.

WHEREAS, pursuant to Section 5-65(1) of the Business Opportunity Sales Law of 1995, [815 ILCS 602 5/1 et seq.] (the "Act"), the failure to request a hearing within thirty (30) days of the receipt of the Summary Order to Cease and Desist shall constitute a sufficient basis to make the Summary Order final.

WHEREAS, Internet Auction Solutions, by and through its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, has failed to request a hearing on the matters contained in the Summary Order within thirty (30) days of receipt of said Summary Order and that it is hereby deemed to have admitted the facts alleged in the said Summary Order.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the said Summary Order as the Secretary of State's Final Findings of Fact as follows:

- 1. That the Respondent, Internet Auction Solutions is a purported business entity with a last known address of 138 E. 12300 S. Suite C #194, Draper, Utah 84020;
- That on or about April 13, 2009, Respondent Internet 2. Auction Solutions, by and through their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, offered and/or sold to GW and JW, Illinois residents, an opportunity to purchase supplies, equipment or services purportedly sufficient to enable GW and JW to start a business, including, but not limited to, assistance in creating a web site, assistance and coaching in marketing, providing webinars, a web builder, a product sourcing directory, an e-library and a marketing package, and providing drop shippers, while representing to GW and JW that as a result of purchasing said business opportunity, GW and JW would make 2 times the profit as the original investment, in return for a total payment in the amount of \$8,455.36;
- 3. That Internet Auction Solutions, by and through its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, represented to PW, either directly or indirectly, that it would provide a marketing plan;
- 4. That Internet Auction Solutions, by and through its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, guaranteed that the purchase will derive income from the business which exceeds the price paid to the seller by representing to GW and JW that as a result of purchasing said business opportunity, GW and JW would make 2 times the profit as the original investment;
- Opportunity Sales Law of 1995, [815 TLCS 602 5-1 et seq.] (the "Act") provides, inter alia, that a business opportunity is a contract or agreement, between a seller and a purchaser, express or implied, orally or in writing, wherein it is agreed that the seller or a person recommended by the seller shall provide to the purchaser any product, equipment, supplies or services enabling the purchaser to start a business when the purchaser is required to make a payment to the seller or a person recommended by the seller and the seller represents directly or indirectly, orally or in writing, that the seller will provide a marketing plan and/or guarantees

that the purchaser will derive income from the business which exceeds the price paid to the seller;

- 6. That the above-referenced promotion, solicitation or offer constitutes an offer and/or sale of a business opportunity as those terms are defined pursuant to Sections 5-5.10 and 5-5.20 of the Act;
- 7. That Section 5-25 of the Act provides, <u>inter alia</u>, that it is unlawful for any person to offer or sell any business opportunity in the State of Illinois unless that business opportunity is registered under the Act or is exempt from registration under Section 5-10 of the Act;
- 8. That Section 5-95 (b)(1) of the Act provides, inter alia, that no person shall, either directly or indirectly, offer or sell any business opportunity without registration under this Act unless the person offering or selling the opportunity is exempt under the Act;
- 9. That Section 5-95(b)(2) of the Act provides, inter alia, that no person shall fail to file with the Secretary of State any report, document or answer required to be filed under the provisions of this Act or any rule made by the Secretary of State pursuant to this Act;
- 10. That at all times relevant, Internet Auction Solutions, by and through its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, failed to obtain or file for registration of the above-referenced business opportunity prior to any offer or sale in the State of Illinois:
- 11. That Section 5-65 of the Act provided, inter alia, that if the Respondent to a Summary Order to Cease and Desist fails to request a hearing within time period specified, the cease and desist order will be permanent and the person named in the order will be deemed to have waived all rights to a hearing;

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Conclusions of Law contained in the said Summary Order as the Secretary of State's final Conclusions of Law as follows:

1. That, by virtue of the foregoing, Respondent Internet Auction Solutions, by and through its Officers,

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Directors, Employees, Agents, Affiliates, Successors and Assigns, has violated Section 5-25, and 5-95 (b)(1)(2) of the Act;

2. That, by virtue of the foregoing, Respondent Internet Auction Solutions, by and through its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, is subject, pursuant to Section 5-65 of the Act, to an Order to Cease and Desist from offering and/or selling business opportunities in the State of Illinois.

NOW THEREFORE, IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section—5-65-of the Act, Respondent Internet Auction Solutions, by and through its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, is to Cease and Desist from offering or selling business opportunities in the State of Illinois or to residents of the State of Illinois.

ENTERED: This 22nd day of Cotober

2009

JESSE WHITE

SECRETARY OF STATE STATE OF ILLINOIS

Attorney for the Secretary of State: Johan Schripsema Illinois Securities Department 350 Seright, Suite C Harrisburg, Illinois 62946 Telephone: (618) 253-2007

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 5-115(a) of the Business Opportunity Law of 1995 [815 ILCS 602] (the ("Act"). Any person or entity that fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 3 felony.

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This is a final order subject to administrative review pursuant to the Administrative Review Law, [735 ILCS 5/3-101 et seq.] and the Rules and Regulations of the Act (14 Ill. Admin. Code, Ch. I, Sec. 130.1123). Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.